

TENNESSEE REGULATORY AUTHORITY



Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

October 13, 1999

Judy A. Riley
Telecom Professionals, Inc.
2912 Lakeside Drive, Suite 100
Oklahoma City, Oklahoma 73120

Re: *Notification of Stock Purchase Agreement between Matrix Telecom, Inc., AvTel Communications, Inc., and Matrix Acquisition Holdings Corp.*

Docket No. 99-00787

Dear Mrs. Riley:

The Authority staff has reviewed the above-referenced notification, in which AvTel Communications, Inc. ("AvTel") seeks Authority approval to sell all of the issued and outstanding common stock of Matrix Telecom, Inc. ("Matrix") to Matrix Acquisition Holdings Corp. ("Purchaser"). Based on Tennessee Attorney General Opinion No. 99-119, the Authority staff finds that because Matrix is a telecommunications provider with multistate operations or certificates of authority, operating in Tennessee, Authority approval of AvTel's proposed sale of Matrix to the Purchaser is not required. Upon consummation of the proposed acquisition, however, please notify the Authority of the name change of AvTel to "NetLojix Communications, Inc.". Further, please notify the Authority of the necessary steps taken to inform the Tennessee business market customers formerly serviced by Matrix who will be now serviced by NetLojix Communications, Inc..

Thank you for informing the Authority of this matter. Please address any other questions to Aster Rutibabalira at (615) 741-2904 ext. 155.

Sincerely,

K. David Waddell
Executive Secretary

c: Docket No. 99-00787
Richard Collier
Joe Werner
Chris Klein
Eddie Roberson
Edward Phillips
Aster Rutibabalira